



General Assembly

February Session, 2016

***Raised Bill No. 107***

LCO No. 1209



Referred to Committee on HUMAN SERVICES

Introduced by:  
(HS)

***AN ACT CONCERNING THE TREATMENT OF THE CASH VALUE OF  
LIFE INSURANCE POLICIES WHEN EVALUATING MEDICAID  
ELIGIBILITY.***

Be it enacted by the Senate and House of Representatives in General  
Assembly convened:

1 Section 1. Subsection (h) of section 17b-261 of the 2016 supplement  
2 to the general statutes is repealed and the following is substituted in  
3 lieu thereof (*Effective from passage*):

4 (h) To the extent permissible under federal law, an institutionalized  
5 individual, as defined in Section 1917 of the Social Security Act, 42  
6 USC 1396p(h)(3), shall not be determined ineligible for Medicaid solely  
7 on the basis of the cash value of a life insurance policy worth less than  
8 ten thousand dollars provided [(1)] the individual is pursuing the  
9 surrender of the policy. [, and (2) upon surrendering such policy all  
10 proceeds of the policy are used to pay for the institutionalized  
11 individual's long-term care.]

This act shall take effect as follows and shall amend the following  
sections:

Section 1	<i>from passage</i>	17b-261(h)
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***Statement of Purpose:***

To remove a requirement that an institutionalized individual must use the proceeds from his or her life insurance policy valued at less than ten thousand dollars toward the cost of his or her care in order to qualify such individual for Medicaid.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*